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FIRE PROTECTION DISTRICT NO. 5
OF LIVINGSTON PARISH

REPORT ON AUDIT OF
COMPONENT UNIT FINANCIAL STATEMENTS

DECEMBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/23/00

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Hannis T. Bourgeois, L.L.P.

Certified Public Accountants

Randy J. Bonnecaze, CPA*
Joseph D. Richard, Jr., CPA*
Ronnie L. Stamper, CPA*
Fernand P. Genre, CPA*
Stephen M. Huggins, CPA*
Monica L. Zumo, CPA*
Ronald L. Gagnet, CPA*
Douglas J. Nelson, CPA*
Celeste D. Viator, CPA*

Laura E. Monroe, CPA

*A Professional Accounting Corporation

1111 S. Range Avenue, Suite 101
Denham Springs, LA 70726
Phone: (225) 665-8297
Fax: (225) 667-3813

March 6, 2000

*Members American Institute of
Certified Public Accountants*

2322 Tremont Drive, Suite 200
Baton Rouge, LA 70809

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Fire Protection District No. 5 of
Livingston Parish
Livingston Parish Council
Denham Springs, Louisiana

We have audited the accompanying component unit only financial statements of the Fire Protection District No. 5 of Livingston Parish, Louisiana, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to in paragraph one present fairly, in all material respects, the financial position of the Fire Protection District No. 5 of Livingston Parish, Louisiana, as of December 31, 1999, and the results of operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated March 6, 2000, on our consideration of Fire Protection District No. 5 of Livingston Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Fire Protection District No. 5 of
Livingston Parish

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The individual fund and individual account group financial statements and the supplementary information and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Fire Protection District No. 5 of Livingston Parish, Louisiana. Such information has been subjected to the auditing procedures applied in the examination of the component unit financial statements, and, in our opinion, the information is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

Respectfully submitted,

Hannis A. Bourgeois, LLP

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Fire Protection District No. 5 of
Livingston Parish

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1999

ASSETS	GOVERNMENTAL FUND TYPE		
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS
Cash and Cash Equivalents	\$ 19,866	\$ 3,513	\$590,056
Investments (Certificates of Deposit with Maturities Greater Than 90 Days)	103,061	-	-
Property Tax Receivables, Net of Allowance for Uncollectible Accounts	129,630	169,765	-
Due From Other Governments	22,314	-	-
Fixed Assets	-	-	-
Due from General Fund	-	4,469	-
Due from Debt Service	233	-	3,461
Other Assets	619	-	-
Amount to be Provided for Retirement of General Long-Term Debt	-	-	-
Total Assets	\$ 275,723	\$ 177,747	\$593,517
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ 14,629	\$ 6,484	\$ 19,430
Payroll Taxes Payable	1,925	-	-
Due to Debt Service Fund	4,469	-	-
Due to Capital Projects Fund	-	3,461	-
Due to General Fund	-	233	-
Accrued Interest Payable	-	-	-
Obligation Under Capital Lease	-	-	-
General Obligation Bond Payable	-	-	-
Total Liabilities	21,023	10,178	19,430
Fund Equity:			
Investment in General Fixed Assets	-	-	-
Fund Balance:			
Reserved for Debt Service	-	167,569	-
Unreserved - Undesignated	254,700	-	574,087
Total Fund Equity	254,700	167,569	574,087
Total Liabilities and Fund Equity	\$ 275,723	\$ 177,747	\$593,517

The accompanying notes constitute an integral part of this statement.

ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1999	1998
\$ -	\$ -	\$ 613,435	\$ 21,961
-	-	103,061	126,859
-	-	299,395	116,753
-	-	22,314	22,000
1,947,039	-	1,947,039	1,426,418
-	-	4,469	703
-	-	3,694	-
-	-	619	1,198
-	1,346,857	1,346,857	267,136
<u>\$1,947,039</u>	<u>\$1,346,857</u>	<u>\$4,340,883</u>	<u>\$1,983,028</u>
\$ -	\$ -	\$ 40,543	\$ 21,275
-	-	1,925	2,511
-	-	4,469	703
-	-	3,461	-
-	-	233	-
-	-	-	-
-	246,857	246,857	267,136
-	1,100,000	1,100,000	-
-	1,346,857	1,397,488	291,625
1,947,039	-	1,947,039	1,426,418
-	-	167,569	-
-	-	828,787	264,985
<u>1,947,039</u>	<u>-</u>	<u>2,943,395</u>	<u>1,691,403</u>
<u>\$1,947,039</u>	<u>\$1,346,857</u>	<u>\$4,340,883</u>	<u>\$1,983,028</u>

Fire Protection District No. 5 of
Livingston Parish

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For the Year Ended December 31, 1999

	GOVERNMENTAL FUND TYPE		
	GENERAL	DEBT SERVICE	CAPITAL PROJECTS
Revenues:			
Taxes	\$ 127,102	\$ 185,345	\$ -
State Revenue Sharing	65,546	-	-
State Supplemental Pay	7,600	-	-
Interest	7,106	88	-
Fire Insurance Commission	24,669	-	-
Donations	34,808	-	-
Total Revenues	266,831	185,433	-
Expenditures:			
General Government:			
Bad Debts	7,684	11,121	-
Paying Agent Fees and Bank Charges	2	-	78
Call Out Reimbursement	4,352	-	-
Dispatch Services	6,000	-	-
Equipment and Property Purchases	23,816	3,694	495,579
Insurance	33,149	-	-
Legal and Accounting	7,000	-	-
Medical Expense	664	-	-
Miscellaneous	4,022	-	658
Assessor's Pension Fund	4,847	6,484	-
Repairs and Maintenance	10,940	-	-
Salary Expense and Related Taxes	72,912	-	-
Supplies and Small Equipment	14,964	-	-
Telephone and Utilities	11,173	-	-
Training	2,636	-	-
Vehicle Expenses	33,180	-	-
Debt Service:			
Principal Retirement	20,279	-	-
Interest	16,061	-	-
Total Expenditures	273,681	21,299	496,315
Excess (Deficiency) of Revenues over Expenditures	(6,850)	164,134	(496,315)
Other Financing Source:			
Proceeds from Bonds	-	-	1,100,000
Bond Issuance Expense	-	-	(29,598)
Total Other Financing Sources (Uses)	-	-	1,070,402
Excess (Deficiency) of Revenues and Other Source over Expenditures	(6,850)	164,134	574,087
Fund Balances at Beginning of Year	261,550	3,435	-
Fund Balances at End of Year	\$ 254,700	\$ 167,569	\$ 574,087

The accompanying notes constitute an integral part of this statement.

TOTALS
(MEMORANDUM ONLY)

<u>1999</u>	<u>1998</u>
\$ 312,447	\$ 135,216
65,546	64,214
7,600	7,012
7,194	11,421
24,669	24,027
<u>34,808</u>	<u>4,936</u>
452,264	246,826
18,805	10,146
80	44
4,352	3,382
6,000	6,000
523,089	351,687
33,149	34,663
7,000	7,428
664	1,092
4,680	996
11,331	4,704
10,940	14,720
72,912	64,023
14,964	13,445
11,173	11,627
2,636	2,466
33,180	17,851
20,279	75,000
<u>16,061</u>	<u>2,700</u>
<u>791,295</u>	<u>621,974</u>
(339,031)	(375,148)
1,100,000	267,136
<u>(29,598)</u>	<u>-</u>
<u>1,070,402</u>	<u>267,136</u>
731,371	(108,012)
<u>264,985</u>	<u>372,997</u>
<u>\$ 996,356</u>	<u>\$ 264,985</u>

Fire Protection District No. 5 of
Livingston Parish

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND,
DEBT SERVICE FUND AND CAPITAL PROJECTS FUND

For the Year Ended December 31, 1999

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
Revenues:			
Taxes	\$ 118,000	\$ 127,102	\$ 9,102
State Revenue Sharing	65,000	65,546	546
State Supplemental Pay	7,200	7,600	400
Interest	6,500	7,106	606
Fire Insurance Commission	25,000	24,669	(331)
Donations	<u>35,000</u>	<u>34,808</u>	<u>(192)</u>
Total Revenues	256,700	266,831	10,131
Expenditures:			
General Government:			
Bad Debts	20,000	7,684	12,316
Paying Agent Fees and Bank Charges	100	2	98
Call Out Reimbursement	5,000	4,352	648
Dispatch Services	6,000	6,000	-
Equipment and Property Purchases	23,000	23,816	(816)
Insurance	39,000	33,149	5,851
Legal and Accounting	7,000	7,000	-
Medical Expenses	1,000	664	336
Miscellaneous	4,000	4,022	(22)
Assessor's Pension Fund	5,000	4,847	153
Repairs and Maintenance	22,000	10,940	11,060
Salary Expense and Related Taxes	74,000	72,912	1,088
Supplies and Small Equipment	14,800	14,964	(164)
Telephone and Utilities	11,500	11,173	327
Training	3,800	2,636	1,164
Vehicle Expenses	26,000	33,180	(7,180)
Debt Service:			
Principal Retirement	20,500	20,279	221
Interest	<u>16,000</u>	<u>16,061</u>	<u>(61)</u>
Total Expenditures	<u>298,700</u>	<u>273,681</u>	<u>25,019</u>
Excess (Deficiency) of Revenues over Expenditures	(42,000)	(6,850)	35,150
Other Financing Sources (Uses):			
Proceeds from Bonds	-	-	-
Bond Issuance Expense	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Source over Expenditures	(42,000)	(6,850)	35,150
Fund Balances at Beginning of Year	<u>261,550</u>	<u>261,550</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ 219,550</u></u>	<u><u>\$ 254,700</u></u>	<u><u>\$ 35,150</u></u>

The accompanying notes constitute an integral part of this statement.

DEBT SERVICE FUND			CAPITAL PROJECTS FUND		
BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
\$158,000	\$185,345	\$ 27,345	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
100	88	(12)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>158,100</u>	<u>185,433</u>	<u>27,333</u>	<u>-</u>	<u>-</u>	<u>-</u>
8,000	11,121	(3,121)	-	-	-
600	-	600	100	78	22
-	-	-	-	-	-
-	-	-	-	-	-
3,149	3,694	(545)	500,000	495,579	4,421
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	658	(658)
6,400	6,484	(84)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,149</u>	<u>21,299</u>	<u>(3,150)</u>	<u>500,100</u>	<u>496,315</u>	<u>3,785</u>
139,951	164,134	24,183	(500,100)	(496,315)	3,785
-	-	-	1,100,000	1,100,000	-
-	-	-	(37,500)	(29,598)	7,902
-	-	-	1,062,500	1,070,402	7,902
139,951	164,134	24,183	562,400	574,087	11,687
<u>3,435</u>	<u>3,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$143,386</u>	<u>\$167,569</u>	<u>\$ 24,183</u>	<u>\$ 562,400</u>	<u>\$ 574,087</u>	<u>\$ 11,687</u>

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1999

(1) Summary of Significant Accounting Policies -

The Livingston Parish Fire Protection District No. 5 "the District" is a body corporate created by the Livingston Parish Council (formally Livingston Parish Police Jury), as provided by Louisiana Revised Statutes. The Fire District is governed by a board of five commissioners who are now appointed by the Livingston Parish Council.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB), is the standard-setting body for governmental accounting and financial reporting. On June 30, 1999, the GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

A. Financial Reporting Entity

This report includes all funds and account groups which are controlled by or dependent on the Fire District's Board of Commissioners. Control by or dependence on the board was determined on the basis of taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

In conformance with Governmental Accounting Standards Board, Statement 14, the Fire District is a component unit of the Livingston Parish Council, the governing body of the parish. The accompanying financial statements present information only on the funds and account groups maintained by the Fire District and do not present information on the Council and the general government services provided by that governmental unit.

B. Fund Accounting

The accounts of the Fire District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues,

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(1) Summary of Significant Accounting Policies - (Continued) -

and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds of the Fire District are grouped, in the financial statements in this report, into three generic fund types and one broad fund category as follows:

General Fund - The General Fund is the general operating fund of the Fire District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal, interest, and related costs.

Capital Projects Fund - The capital projects fund is used to account for the financial resources used to acquire, construct, or renovate capital assets of the District.

In addition to the three generic fund types, the District maintains two account groups. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

General Fixed Asset Account Group - The fixed assets used in the governmental fund type operations of the Fire District are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. Donated assets are recorded at their fair market value at date of donation. At December 31, 1999, estimated fair value of donated assets amounted to \$16,158.

General Long-Term Debt Account Group - Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental fund type operations.

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(1) Summary of Significant Accounting Policies - (Continued) -

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property taxes are recorded as revenues when levied even though a portion of the taxes may be collected in subsequent years.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

D. Budgetary Practices

The District utilizes the following budgetary practices:

1. The Fire Chief prepares a proposed budget and submits same to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(1) Summary of Significant Accounting Policies - (Continued) -

H. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

(2) Property Taxes -

On July 15, 1995, a special election was held whereby the voters of Fire Protection District No. 5 of Livingston Parish approved the renewal of a 10 year 10.14 mill ad valorem tax assessed on all property subject to taxation within the district for the purpose of "maintaining, operating and developing the District's fire protection facilities and for purchasing fire trucks and other fire fighting equipment." The renewal begins with the year 1995 and ends with the year 2004.

In addition, on July 17, 1999, the voters of Fire Protection District No. 5 of Livingston Parish approved the authorization of the issuance of \$1,100,000 in General Obligation Bonds. The proceeds of said bonds to be used to acquire, construct, or improve buildings, machinery and equipment. The bonds are to be paid through the levy of a 10 year ad valorem tax in an amount sufficient to pay maturing principal and interest each year. This tax shall begin with the year 1999 and ends with the year 2008.

Property taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

The Fire District's taxes are collected by the Livingston Parish Tax Collector and are remitted to the Fire District monthly. The Fire District pays the Assessor's Office a fee for this service.

For the year 1999, taxes of 22.72 mills were levied on property with assessed valuations totaling \$14,257,400.

Total taxes assessed and taxes receivable at December 31, 1999, are as follows:

(CONTINUED)

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(2) Property Taxes - (Continued) -

	<u>GENERAL OPERATIONS 9.72 MILLS</u>	<u>DEBT SERVICE 13.00 MILLS</u>	<u>TOTAL</u>
<u>Revenues:</u>			
1999 Property Tax Assessed	\$ 138,581	\$ 185,345	\$ 323,926
Less: 1998 Approved Delayed Homestead Exemptions Received in 1999	<u>(11,479)</u>	<u>-</u>	<u>(11,479)</u>
Net 1999 Property Tax Revenue	<u>\$ 127,102</u>	<u>\$ 185,345</u>	<u>\$ 312,447</u>
<u>Receivable:</u>			
1999 Property Tax Assessed	\$ 138,581	\$ 185,345	\$ 323,926
Less: Current Year Taxes Collected in 1999	<u>(3,563)</u>	<u>(4,424)</u>	<u>(7,987)</u>
Taxes Receivable - Current Year	135,018	180,921	315,939
Prior Years Tax Receivables at December 31, 1998	124,867	-	124,867
Less: Prior Years Tax Collected in 1999	(102,979)	(35)	(103,014)
Less: 1998 Approved Delayed Homestead Exemptions Received in 1999	<u>(11,479)</u>	<u>-</u>	<u>(11,479)</u>
Taxes Receivable - Prior Years	<u>10,409</u>	<u>(35)</u>	<u>10,374</u>
Total Property Taxes Receiv- able at December 31, 1999	145,427	180,886	326,313
Less: Allowance for Uncollectible Accounts	<u>(15,797)</u>	<u>(11,121)</u>	<u>(26,918)</u>
Net Property Tax Receivable at December 31, 1999	<u>\$ 129,630</u>	<u>\$ 169,765</u>	<u>\$ 299,395</u>

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(3) Changes in General Fixed Assets -

A summary of changes in general fixed assets is as follows:

	<u>LAND AND BUILDINGS</u>	<u>EQUIPMENT</u>	<u>FURNITURE AND FIXTURES</u>	<u>EQUIPMENT UNDER CAPITAL LEASE</u>	<u>TOTAL</u>
Balance - January 1, 1999	\$250,412	\$ 833,681	\$ 16,744	\$325,581	\$1,426,418
Additions	-	523,089	-	-	523,089
Deletions	-	(2,468)	-	-	(2,468)
Balance - December 31, 1999	<u>\$250,412</u>	<u>\$1,354,302</u>	<u>\$ 16,744</u>	<u>\$325,581</u>	<u>\$1,947,039</u>

(4) Changes in Long-Term Debt -

The following is a summary of long-term debt transactions of the District for the year ended December 31, 1999:

	<u>BONDS PAYABLE</u>	<u>OBLIGATION UNDER CAPITAL LEASE</u>	<u>TOTAL</u>
Principal Balance at January 1, 1999	\$ -	\$ 267,136	\$ 267,136
Increase in Debt	1,100,000	-	1,100,000
Principal Paid	-	(20,279)	(20,279)
Principal Balance at December 31, 1999	<u>\$1,100,000</u>	<u>\$ 246,857</u>	<u>\$1,346,857</u>

General Obligation Bond:

On July 17, 1999, a special election was held whereby voters approved the incurring of debt and issuance of bonds in an amount not to exceed \$1,100,000.

On December 1, 1999 the District issued general obligation bonds in the amount of \$1,100,000 for the purpose of acquiring, constructing and improving buildings, machinery and equipment, including both real and personal property, to be used in providing fire protection to the property in the District.

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(4) Changes in Long-Term Debt - (Continued) -

A schedule of the outstanding 1999 General Obligation and the interest and principal requirements by dates is as follows:

<u>PAYMENT DATE</u>	<u>PRINCIPAL DUE</u>	<u>INTEREST DUE</u>	<u>TOTAL</u>
3/01/2000	\$ 90,000	\$ 13,338	\$ 103,338
9/01/2000		24,492	24,492
3/01/2001	95,000	24,492	119,492
9/01/2001		22,189	22,189
3/01/2002	95,000	22,189	117,189
9/01/2002		19,885	19,885
3/01/2003	100,000	19,885	119,885
9/01/2003		17,460	17,460
3/01/2004	105,000	17,460	122,460
9/01/2004		14,914	14,914
3/01/2005	110,000	14,914	124,914
9/01/2005		12,246	12,246
3/01/2006	115,000	12,246	127,246
9/01/2006		9,458	9,458
3/01/2007	125,000	9,458	134,458
9/01/2007		6,426	6,426
3/01/2008	130,000	6,426	136,426
9/01/2008		3,274	3,274
3/01/2009	<u>135,000</u>	<u>3,273</u>	<u>138,273</u>
Totals	<u>\$1,100,000</u>	<u>\$274,025</u>	<u>\$1,374,025</u>

(5) Obligations Under Capital Leases -

Leases are accounted for in accordance with Section L20 of the GASB Codification and NCGA Statement No. 5 which require governments to use the criteria contained in FASB Statement No. 13, *Accounting for Leases*, and GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, to classify leases as capital or operating leases. The GASB Codification and NCGA Statement No. 5 also require governmental fund assets under capital leases to be recorded in the General Fixed Assets Account Group and the lease obligation to be recorded in the General Long-Term Debt Account Group.

The District has entered into a lease agreement to acquire or obtain the use of firefighting equipment (1998 HME fire truck with 75' aerial ladder). The lease term is 10 years. The interest rate used in calculating the present value is 5.9873%. The lease payments are to remain the same throughout the term of the lease. The lease agreement contains a fiscal funding clause which provides for the cancellation in the event the District does not appropriate funds in subsequent years for the lease payments.

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

(5) Obligations Under Capital Leases - (Continued)

The following is a schedule by years of the future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 1999:

<u>DUE DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
March 10, 2000	\$ 21,493	\$ 14,781	\$ 36,274
March 10, 2001	22,780	13,493	36,273
March 10, 2002	24,144	12,130	36,274
March 10, 2003	25,590	10,683	36,273
March 10, 2004	27,122	9,152	36,274
March 10, 2005	28,746	7,527	36,273
March 10, 2006	30,467	5,807	36,274
March 10, 2007	32,291	3,982	36,273
March 10, 2008	<u>34,224</u>	<u>2,050</u>	<u>36,274</u>
	<u>\$ 246,857</u>	<u>\$ 79,605</u>	<u>\$ 326,462</u>

The District has no operating leases at December 31, 1999.

(6) Cash and Cash Equivalents -

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit with original maturities of 90 days or less when purchased. Under state law the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As confirmed by the fiscal agents, the District had cash and cash equivalents and certificates of deposit with maturities greater than 90 days totaling \$718,919 with a carrying amount of \$716,496 at December 31, 1999. Cash and cash equivalents are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The following is a summary of cash and cash equivalents and certificates of deposit with maturities greater than 90 days at December 31, 1999, with the related federal deposit insurance and pledged securities, if any. The cash and cash equivalents and certificates of deposit with maturities greater than 90 days at December 31, 1999, were secured as follows:

Fire Protection District No. 5 of
Livingston Parish

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 1999

	CONFIRMED BANK BALANCE <u>DECEMBER 31, 1999</u>	FDIC INSURANCE	BALANCE UNINSURED
Cash	\$ 615,858	\$ 100,000	\$ 515,858
Cash Equivalents - Time Certificates of Deposit (Maturities 90 Days or Less)	-	-	-
Certificates of Deposit - (Maturities Greater Than 90 Days)	<u>103,061</u>	<u>100,000</u>	<u>3,061</u>
Total	<u>\$ 718,919</u>	<u>\$ 200,000</u>	518,919
Uncollateralized - Securities Pledged and Held by the Custodial Bank in the Name of the Fiscal Agent			<u>100,000</u>
Deficiency of FDIC Insurance and Pledged Securities over Cash and Cash Equivalents			<u>\$ 418,919</u>

(7) Litigation -

There is no litigation pending against the Fire District.

(8) Compensated Absences, Pension Plan, and Other
Postemployment Benefits -

At December 31, 1999, the District has no plan or provision for compensated absences, pension plan or other post employment benefits. Vacation time cannot be accumulated and must be taken by the end of the year earned.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS

GENERAL FUND

To account for resources traditionally associated with governments
which are not required to be accounted for in another fund.

Fire Protection District No. 5 of
Livingston Parish
GENERAL FUND

COMPARATIVE BALANCE SHEETS

December 31, 1999 and 1998

ASSETS

	<u>1999</u>	<u>1998</u>
Cash and Cash Equivalents	\$ 19,866	\$ 19,229
Investments (Certificates of Deposit with Maturities Greater Than 90 Days)	103,061	126,859
Property Tax Receivables, Net of Allowance for Uncollectible Accounts of \$15,797 for 1999 and \$8,113 for 1998	129,630	116,753
State Revenue Sharing Tax Receivable	22,314	22,000
Other Receivables	584	1,163
Due from Debt Service	233	-
Other Assets	<u>35</u>	<u>35</u>
Total Assets	<u>\$ 275,723</u>	<u>\$ 286,039</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts Payable	\$ 14,629	\$ 21,275
Payroll Taxes Payable	1,925	2,511
Due to Debt Service Fund	<u>4,469</u>	<u>703</u>
Total Liabilities	21,023	24,489
Fund Balance:		
Unreserved - Undesignated	<u>254,700</u>	<u>261,550</u>
Total Fund Equity	<u>254,700</u>	<u>261,550</u>
Total Liabilities and Fund Balance	<u>\$ 275,723</u>	<u>\$ 286,039</u>

See auditor's report.

Fire Protection District No. 5 of
Livingston Parish
GENERAL FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended December 31, 1999 and 1998

	1999	1998
Revenues:		
Taxes	\$ 127,102	\$ 135,216
State Revenue Sharing	65,546	64,214
State Supplemental Pay	7,600	7,012
Interest	7,106	10,317
Fire Insurance Commission	24,669	24,027
Donations	34,808	4,936
Total Revenues	266,831	245,722
Expenditures:		
General Government:		
Bad Debts	7,684	9,743
Bank Charges	2	29
Call Out Reimbursement	4,352	3,382
Dispatch Services	6,000	6,000
Equipment and Property Purchases	23,816	351,687
Insurance	33,149	34,663
Legal and Accounting	7,000	7,428
Medical Expense	664	1,092
Miscellaneous	4,022	996
Assessor's Pension Fund	4,847	4,704
Repairs and Maintenance	10,940	14,720
Salary Expense and Related Taxes	72,912	64,023
Supplies and Small Equipment	14,964	13,445
Telephone and Utilities	11,173	11,627
Training	2,636	2,466
Vehicle Expenses	33,180	17,851
Debt Service:		
Lease Payments	20,279	-
Interest	16,061	-
Total Expenditures	273,681	543,856
Excess (Deficiency) of Revenues over Expenditures	(6,850)	(298,134)
Other Financing Source:		
Proceeds from Capital Lease	-	267,136
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(6,850)	(30,998)
Fund Balance at Beginning of Year	261,550	292,548
Fund Balance at End of Year	\$ 254,700	\$ 261,550

See auditor's report.

DEBT SERVICE FUND

To accumulate resources for and to account for the payment of principal and interest on long-term debt.

General Obligation Bond - Issued December 1, 1999 for the purpose of acquiring, constructing and improving buildings, machinery and equipment, including both real and personal property, to be used in providing fire protection to the property in the District. Payments are due in annual installments of principal and semi-annual installments of interest until maturity in 2009. Interest rate is 4.85%. Revenues from ad valorem taxes are dedicated to service this debt.

Fire Protection District No. 5 of
Livingston Parish
DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS

December 31, 1999 and 1998

ASSETS

	<u>1999</u>	<u>1998</u>
Cash in Banks	\$ 3,513	\$ 2,732
Property Tax Receivables, Net of Allowance for Uncollectible Accounts of \$11,121 for 1999 and \$-0- for 1998	169,765	-
Due from General Fund	<u>4,469</u>	<u>703</u>
Total Assets	<u>\$ 177,747</u>	<u>\$ 3,435</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts Payable	\$ 6,484	\$ -
Due to General Fund	233	-
Due to Capital Projects Fund	<u>3,461</u>	<u>-</u>
Total Liabilities	10,178	-
Fund Balance:		
Reserved for Debt Service	167,569	-
Unreserved - Undesignated	<u>-</u>	<u>3,435</u>
Total Fund Balance	<u>167,569</u>	<u>3,435</u>
Total Liabilities and Fund Balance	<u>\$ 177,747</u>	<u>\$ 3,435</u>

See auditor's report.

Fire Protection District No. 5 of
Livingston Parish
DEBT SERVICE FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Property Taxes	\$ 185,345	\$ -
Interest	<u>88</u>	<u>1,104</u>
Total Revenues	185,433	1,104
Expenditures:		
Bad Debts	11,121	403
Paying Agent Fees and Bank Charges	-	15
Assessor's Pension Fund	6,484	-
Principal Retirement	-	75,000
Interest	-	2,700
Equipment Purchases	<u>3,694</u>	<u>-</u>
Total Expenditures	<u>21,299</u>	<u>78,118</u>
Excess (Deficiency) of Revenues over Expenditures	164,134	(77,014)
Fund Balance at Beginning of Year	<u>3,435</u>	<u>80,449</u>
Fund Balance at End of Year	<u>\$ 167,569</u>	<u>\$ 3,435</u>

See auditor's report.

CAPITAL PROJECTS

Used to account for the financial resources used to acquire, construct, or renovate capital assets of the District.

Fire Protection District No. 5 of
Livingston Parish
CAPITAL PROJECTS FUND

COMPARATIVE BALANCE SHEETS

December 31, 1999 and 1998

ASSETS		<u>1999</u>	<u>1998</u>
Cash in Bank		\$590,056	\$ -
Due From Debt Service		<u>3,461</u>	<u>-</u>
Total Assets		<u>\$593,517</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts Payable		\$ 19,430	\$ -
Fund Balance:			
Unreserved - Undesignated		<u>574,087</u>	<u>-</u>
Total Fund Balance		<u>574,087</u>	<u>-</u>
Total Liabilities and Fund Balance		<u>\$593,517</u>	<u>\$ -</u>

See auditor's report.

Fire Protection District No. 5 of
Livingston Parish
CAPITAL PROJECTS FUND

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues	\$ -	\$ -
Expenditures:		
Bank Charges	78	-
Miscellaneous Expense	658	-
Capital Outlay	<u>495,579</u>	<u>-</u>
Total Expenditures	<u>496,315</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(496,315)	-
Other Financing Sources (Uses):		
Proceeds from Bonds	1,100,000	-
Bond Issuance Expense	<u>(29,598)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,070,402</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures	574,087	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 574,087</u>	<u>\$ -</u>

See auditor's report

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operation.

Fire Protection District No. 5 of
Livingston Parish

COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS - BY SOURCES

December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General Fixed Assets, at Cost:		
Land and Buildings	\$ 250,412	\$ 250,412
Equipment	1,354,302	833,681
Equipment Under Capital Lease Obligation	325,581	325,581
Furniture and Fixtures	<u>16,744</u>	<u>16,744</u>
Total General Fixed Assets	<u>\$1,947,039</u>	<u>\$1,426,418</u>
Investment in General Fixed Assets From:		
General Fund Revenues	\$ 966,917	\$ 945,569
Donations	16,158	16,158
General Obligation Bonds	<u>963,964</u>	<u>464,691</u>
Total Investment in General Fixed Assets	<u>\$1,947,039</u>	<u>\$1,426,418</u>

See auditor's report.

Fire Protection District No. 5 of
Livingston Parish

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS

For the Years Ended December 31, 1999 and 1998

	<u>TOTAL</u>	<u>LAND AND BUILDINGS</u>	<u>EQUIPMENT</u>	<u>FURNITURE AND FIXTURES</u>	<u>EQUIPMENT UNDER CAPITAL LEASE</u>
General Fixed Assets at January 1, 1998	\$1,101,231	\$ 250,412	\$ 834,075	\$ 16,744	\$ -
Additions:					
General Fund					
Revenues	351,687	-	26,106	-	325,581
Donations	-	-	-	-	-
General Obligation Bonds	-	-	-	-	-
Deductions:					
Assets Disposed	<u>(26,500)</u>	<u>-</u>	<u>(26,500)</u>	<u>-</u>	<u>-</u>
General Fixed Assets at December 31, 1998	1,426,418	250,412	833,681	16,744	325,581
Additions:					
General Fund					
Revenues	23,816	-	23,816	-	-
Donations	-	-	-	-	-
General Obligation Bonds	499,273	-	499,273	-	-
Deductions:					
Assets Disposed	<u>(2,468)</u>	<u>-</u>	<u>(2,468)</u>	<u>-</u>	<u>-</u>
General Fixed Assets at December 31, 1999	<u>\$1,947,039</u>	<u>\$ 250,412</u>	<u>\$1,354,302</u>	<u>\$ 16,744</u>	<u>\$ 325,581</u>

See auditor's report.

GENERAL LONG-TERM DEBT
ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of maturing General Obligation Bonds, including interest, are accounted for in the Debt Service Fund. Payments of maturing Capital Lease Obligations, including interest, are accounted for in the General Fund.

Fire Protection District No. 5 of
Livingston Parish

COMPARATIVE STATEMENTS OF GENERAL LONG-TERM DEBT

December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
Amount Available in the Debt Service Fund for Debt Retirement	\$ 167,569	\$ -
Amount to be Provided in Future Years from Ad Valorem Taxes	932,431	-
Amount to be Provided in Future Years	<u>246,857</u>	<u>267,136</u>
Total to be Provided	<u>\$1,346,857</u>	<u>\$ 267,136</u>
 GENERAL LONG-TERM DEBT PAYABLE:		
General Obligation Bond	\$1,100,000	\$ -
Obligation Under Capital Lease	<u>246,857</u>	<u>267,136</u>
Total General Long-Term Debt	<u>\$1,346,857</u>	<u>\$ 267,136</u>

See auditor's report.

OTHER SUPPLEMENTARY INFORMATION

Fire Protection District No. 5 of
Livingston Parish

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
David Hodges (Resigned 07/14/98)	\$ -	\$ -
James Lieux	-	-
Andy Nickens	-	-
Tommy Porrier	-	-
Bryan Taylor (Appointed 07/23/98)	-	-
Ray Walters (Resigned 03/10/98)	-	-
Brian Whittington (Appointed 04/23/98)	-	-
	<u>-----</u>	<u>-----</u>
	\$ -	\$ -
	<u>=====</u>	<u>=====</u>

The term of each board member is two years.

Fire Protection District No. 5 of
Livingston Parish

SCHEDULE OF INSURANCE IN FORCE

December 31, 1999

<u>INSURANCE COMPANY</u>	<u>COVERAGE</u>	<u>AMOUNT</u>	<u>EXPIRATION DATE</u>
American Alternative Insurance Corp.	Business Package Policy		09/01/00
	Building #1	\$ 203,719	
	Building #2	\$ 42,331	
	Building #3	\$ 40,637	
	Contents - Building #1	\$ 50,000	
	Contents - Building #2	\$ 6,299	
	Contents - Building #3	\$ 2,500	
	Liability Management Liability	\$2,000,000 \$2,000,000	
American Alternative Insurance Corp.	Umbrella Liability Policy	\$1,000,000	09/01/00
Louisiana Worker's Compensation Corp.	Workmen's Compensation Statutory	\$ 100,000/	12/31/99
		\$ 500,000	
American Alternative Insurance Corp.	Business Auto Liability	\$1,000,000	09/01/00
	Uninsured Motorist	\$ 100,000	
Volunteer Fire Insurance Services Trust	Accident and Sickness	\$ 20,000	09/01/00

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF THE COMPONENT UNIT FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS



Hannis T. Bourgeois, L.L.P.

Certified Public Accountants

Randy J. Bonneau, CPA*
Joseph D. Richard, Jr., CPA*
Ronnie L. Stamper, CPA*
Fernand P. Genre, CPA*
Stephen M. Huggins, CPA*
Morica L. Zumo, CPA*
Ronald L. Gagnet, CPA*
Douglas J. Nelson, CPA*
Celeste D. Viator, CPA*

Laura L. Monroe, CPA

*A Professional Accounting Corporation

1111 S. Range Avenue, Suite 101
Denham Springs, LA 70726
Phone: (225) 665-8297
Fax: (225) 667-3813

March 6, 2000

*Members American Institute of
Certified Public Accountants*

2322 Tremont Drive, Suite 200
Baton Rouge, LA 70809

Board of Commissioners
Fire Protection District No. 5 of
Livingston Parish
Livingston Parish Council
Denham Springs, Louisiana

We have audited the component unit financial statements of the Fire Protection District No. 5 of Livingston Parish, Louisiana, as of and for the year ended December 31, 1999, and have issued our report thereon dated March 6, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards.

At December 31, 1999, the District had a collateral shortfall of \$418,919. The District's issuance of the 1999 Series General Obligation bond on December 1, 1999 resulted in excess cash being invested and therefore the need for additional collateral. Subsequent to year end, the District has secured additional collateral to correct this instance of noncompliance.

Fire Protection District No. 5 of
Livingston Parish
Livingston Parish Council

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the use of management and the Office of the Legislative Auditor, State of Louisiana, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Fire Protection District No. 5 of Livingston Parish, Louisiana, is a matter of public record.

Respectfully submitted,

Harris A. Bourgeois, LLP